

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: February 13, 2025

PREPARED BY: Nick Melloni, AICP, Principal Planner
Ryan Lamb, Senior Project Manager

SUBJECT: CONSIDERATION TO ADOPT MITIGATED NEGATIVE DECLARATION (SCH NO. 2023090542) AND A MITIGATION MONITORING AND REPORTING PROGRAM, AND APPROVAL OF PRELIMINARY DESIGN FOR THE HAYSTACK CHANNEL IMPROVEMENT PROJECT

RECOMMENDATION:

1. Adopt a Resolution entitled, "A RESOLUTION OF THE PALM DESERT CITY COUNCIL ADOPTING AN INITIAL STUDY / MITIGATED NEGATIVE DECLARATION (SCH NO. 2023090542) AND A MITIGATION MONITORING AND REPORTING PROGRAM FOR THE HAYSTACK CHANNEL IMPROVEMENT PROJECT IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT"
2. Approve the preliminary design of the Haystack Channel Improvement Project with consideration to include additional landscaping along Haystack Road.
3. Authorize Director of Finance to reallocate \$275,000 from unexpended project funds in Storm Drain Improvement-Section 29 Account No. 2324370-5000455 to Account No. 2324370-5000454 for the Haystack Channel Improvement Project.

EXECUTIVE SUMMARY:

The Haystack Channel Improvement Project is a City Capital Improvement aiming to repair the functionality of the existing Haystack drainage conveyance generally located on the north side of Haystack Road between Highway 74 and Portola Avenue. The project is necessary to improve safety conditions and mitigate flood risk. The conceptual design was previously presented to the City Council at a Study Session on December 12, 2024.

Approval of the recommendation will satisfy the requirements for CEQA by adopting the Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) and approve the preliminary design concept channel including a recommendation by the Planning Commission to add landscaping. The Planning Commission adopted Resolution No. 2864 on January 7th, 2025, recommending that the City Council adopt the IS/MND and MMRP; in this action, the Planning Commission also recommended the City Council direct staff to provide additional natural landscape plantings along Haystack Road in response to comments raised by residents in proximity to the project.

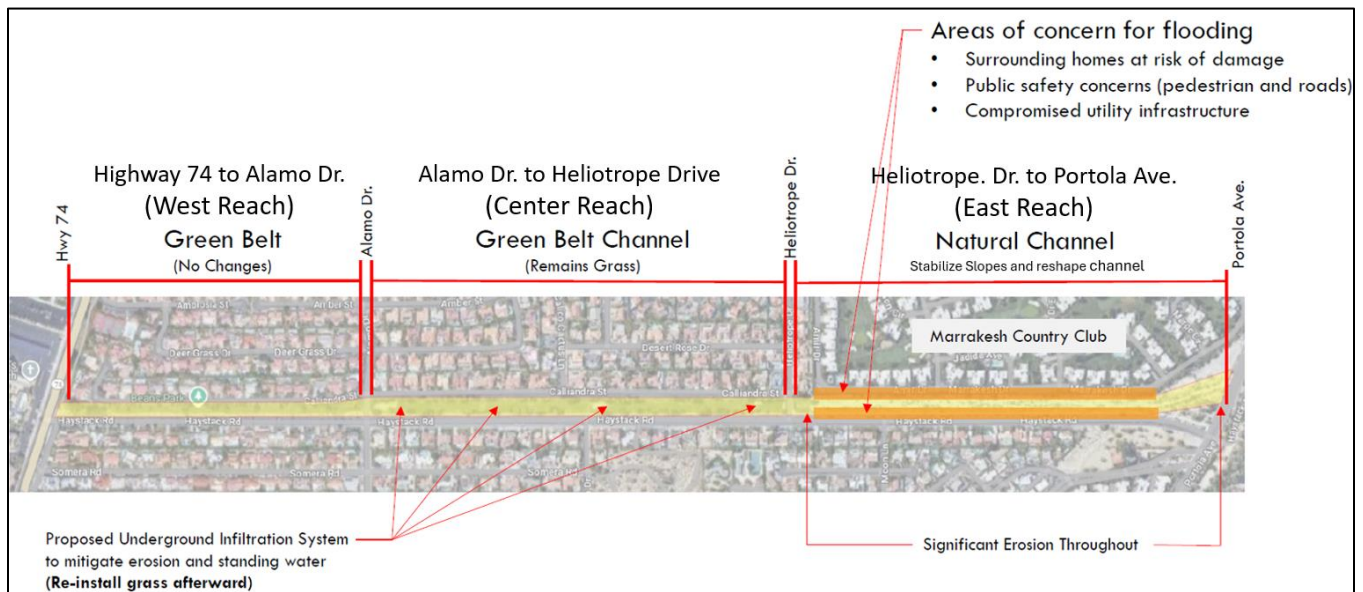
If adopted City staff will proceed with next steps including filing a Notice of Determination for the IS/MND, submitting permitting applications with the California Department of Fish and Wildlife, and finalizing construction drawings for the project.

BACKGROUND/ANALYSIS:

The Haystack Channel has been in place for several decades and was constructed to intercept north-flowing tributary flows crossing Haystack Road and to convey them to the Portola Avenue culvert and into a series of golf course drainage system systems farther east. These flows ultimately make their way to the Whitewater River approximately 1,400 feet west of Washington Street. The Project segment extends from State Highway 74 on the west to Portola Avenue on the east. The sub-segment planned for improvements extends from just west of Alamo Drive eastward to the Portola Avenue culvert.

Today’s Haystack Channel is a combination of improved and unimproved channel reaches that begins at Highway 74 and flows east to Portola Avenue and beyond. Three distinct reaches define the channel, illustrated below in Figure 1 with proposed improvements described further below:

Figure 1: Overview of proposed channel Improvements



Highway 74 to Alamo Drive (West Reach): This reach of channel is characterized by a shallow swale located within a turfed green belt. Two small diameter culverts cross under Alamo Drive at the low end of the reach. No changes to this segment of the channel are proposed.

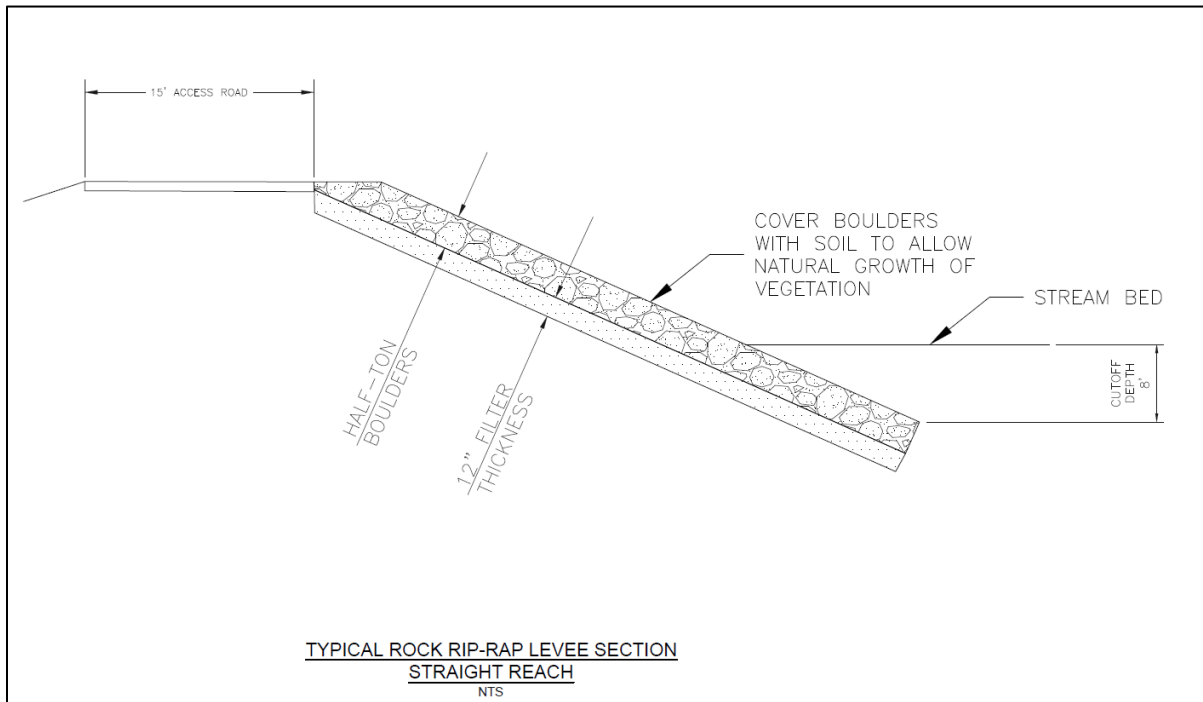
Alamo Drive to Heliotrope Drive (Center Reach): This segment of channel is improved with inlets and other facilities. This segment is grass-lined with numerous mature trees along the upper channel slopes. Storm drain inlets are located on both sides of this channel reach. Existing facilities also include a minimally functional subsurface nuisance water drain that runs the length of this channel reach. The project will restore the function of the underground filtration system to mitigate erosion and standing water.

Heliotrope Drive to Portola Avenue (East Reach): The final Project reach of the Haystack Channel is generally unimproved with native soil bottom and side slopes. The slopes of this reach have sustained significant damage by erosion and pose concern for flooding, risk of

damage to surrounding homes, roadways, sidewalks, and may potentially compromise utility infrastructure. There is evidence of decreased capacity in this reach. Two existing (visible) storm drain inlets are located along the south side of this reach. Each inlet includes minimal improvements. The downstream end of this reach of the channel is Portola Avenue. Surface and subsurface improvements at Portola Avenue indicate this roadway floods during larger return frequency storms. The project will reshape the channel and construct stabilized slopes with half-ton boulders which are covered in soil to allow natural growth of vegetation as depicted in Figure 2 below. The stream bed of the channel will be covered with sand.

Beyond the channel improvements, there will be opportunities to enhance existing vegetation within the Haystack Road right of way and within a portion of the southerly channel right of way outside of the channel proper. This would create a widened parkway landscape area, which could be continued north to within about five feet of the top of the channel, according to project engineers.

Figure 2: East Reach proposed slope cross-section (north side)



Landscaping:

At the January 7, 2025 hearing to consider the IS/MND for the project, the Planning Commission recommended that the City Council consider approving the project with the inclusion of additional landscape along the eastern reach of the channel. This recommendation was based on feedback received by two residents that attended the meeting preferred to see preservation of the existing vegetation within the eastern reach of the channel. All the existing plants in the subject channel segment are “volunteers” from seeds blown (or washed) into the channel. Construction require existing plants within the eastern reach of channel to be removed, though attempts will be made to preserve larger smoke trees where viable. If left undisturbed once construction is complete,

the channel will again naturally re-vegetate in a manner similar to what occurred over the past few years.

The new landscaping recommended by the Planning Commission will occur in two distinct zones: one from the back of curb on the north side of Haystack to the south edge of the existing sidewalk and the other from the north edge of the existing sidewalk to the south top of channel. The City will install landscaping and vegetation which complies with the Coachella Valley Multiple Species Habitat Conservation Plan (MSHCP) guidelines. The addition of this landscaping will require an increase of the project budget of approximately \$275,000.

Environmental Analysis:

In accordance with CEQA, an Initial Study has analyzed the project and concluded, based on all substantial evidence of the record, that all environmental impacts are either less than significant or can be mitigated to a less than significant impact. Based on these conclusions a Draft Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program has been prepared. Mitigation measures for the project are included as Exhibit “A” of the resolution and provide mitigation to less than significant levels for all to Biological, Cultural, and Hydrology & Water Quality resources analyzed. Findings required in accordance with CEQA are provided in the Resolution.

Regulatory Permits:

In addition to the City’s CEQA review and project approval, the entire channel cross section, to the top of both side slopes, qualify as “waters of the State” and are subject to Section 1602 of the California Fish and Game Code. Therefore, before any work can proceed in the channel, the City must secure a Section 1602 Streambed Alteration Agreement (permit), which typically includes a variety of terms and conditions, and requirements for mitigation of project impacts. For comparable projects, California Department of Fish and Wildlife (CDFW) requires replacement habitat at a 3 to 1 ratio.

Depending on the project, CDFW may allow the restoration of on-site habitat to serve as mitigation for project impacts but again at multiples of the area impacted. Current calculations of temporary and permanent impacts have not yet been reviewed by CDFW. Neither has any approach to on-site mitigation been discussed with CDFW. Alternatively, off-site mitigation is acceptable but is difficult, complex, and very costly; it is uncertain if off-site mitigation lands can be identified, which starts a long and complex process. At this juncture, it is recommended that on-site mitigation be offered as the most viable means of securing a permit from CDFW.

Once the CEQA IS/MND has been adopted, the City will file an application with the CDFW for a Section 1602 Streambed Alteration Agreement. Additional terms and conditions associated with this agreement may also affect project implementation.

Public Input:

Public Notification

Public noticing was conducted for February 13, 2025, City Council meeting per the requirements of PDMC Section 25.60.060 and Government Code Sections 65090 to 65094. A public hearing

notice was published on Friday, January 31, 2025, in The Desert Sun newspaper. Notices were mailed to all property owners within 1,000 feet of the Project site. Staff conducted community meetings for the project on June 26, 2024, and again on November 7, 2024.

The Notice of Intent to Adopt a Mitigated Negative Declaration was circulated for a 30-day review period from September 25, 2023 to October 24, 2023 by (1) filing a Notice of Intent to Adopt a Mitigated Negative Declaration (“NOI”) with the State Clearinghouse; (2) filing a NOI with the Riverside County Clerk; (3) placing a NOI in the Desert Sun newspaper, a newspaper of general circulation; (4) mailing a NOI to various interested persons, agencies and tribes; and (5) posting a NOI on the City’s website. During the during the public comment period, the City received three (3) comment letters from the Riverside County Flood Control District (RCFC), the Agua Caliente Band of Cahuilla Indians (ACBCI) and the California Department of Fish and Wildlife (CDFW). Minor revisions were made to the document based on feedback from the California Department of Fish and Wildlife, however recirculation was not required as the revisions were insignificant.

Appointed Body Recommendation:

The Planning Commission recommended approval per Resolution No. 2864 adopted on January 7, 2025.

Legal Review:

This report has been reviewed by the City Attorney’s office.

FINANCIAL IMPACT:

The requested budget reallocation of \$275,000 will be funded from the balance remaining in Drainage Improvement-Section 29 Account No. 2324370-5000455. The Section 29 project is complete, and the balance of funds are currently available and may be used for this purpose. These are Special Funds in Fund 232 and do not impact the General Fund.

Project - CDR00003 Haystack Channel Improvements	Budget	Project Cost	Budget Reallocation
Capital Drainage Funds (4204370-5000454)	\$3,733,472		
Study / Design		\$470,000	
Construction		\$3,263,472	
*Landscape Design & Construction		\$275,000	
Drainage Improvement Funds (2324370-5000454)			\$275,000
Total Project Budget	\$3,733,472	\$4,008,472	\$275,000

**Additional Need/Change Order Request*

ATTACHMENTS:

1. Draft Resolution.

2. Exhibit "B" Resolution Initial Study / Mitigated Negative Declaration and Technical Appendices
3. Planning Commission Resolution No. 2864
4. IS/MND Notice of Intent
5. CDFW Comment Letter
6. ACBCI Comment Letter
7. RCFC Comment Letter
8. Project Plans for Reference Only
9. Project Conceptual Renderings
10. City Council Study Session Presentation - December 12, 2024
11. Hearing Notice
12. Public Comment